

**MINUTES OF THE MEETING**  
**RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY**  
March 24, 2025

Meeting was called to order at 5:19 PM by Chairman James Farley.

Present: James B. Farley, Chairman  
Lori Ann Pipczynski, Vice Chairwoman  
Lee Mendelson, Treasurer  
Douglas Williams, Asst. Treasurer  
Barbara Rizzi

Absent:

Signifying a quorum.

Others in Attendance: Tracy Stark-James, Executive Director  
Eric Brennen, Agency Counsel (Virtual)

Lori Ann Pipczynski moved to adopt the proposed agenda. Barbara Rizzi seconded. The agenda was adopted as amended.

**MINUTES:**

**#08-25 RESOLUTION APPROVING MINUTES OF REGULAR MEETING OF February 3, 2025**

Member Lee Mendelson offered the following resolution, which was seconded by Member Barbara Rizzi

**RESOLVED**, the minutes of the meeting of February 3, 2025 as prepared and e-mailed be and are hereby approved, and

**BE IT FURTHER RESOLVED**, that the copies of said minutes be maintained in the files of the Agency and become a part of the record of the Agency.

**VOTE:** 5 Yes

**CORRESPONDENCE:** The yearly request from the Suffolk County Comptroller for the report on projects was received and will be responded to once the PARIS is completed.

**PRESENTATIONS:** None

**TREASURERS REPORT:**

Cash Balance as of February 28th	\$40,704.18
Muni Now Account Bal Feb 28th	\$351,397.27

Revenue for February	\$11,227.61
Profit and Loss Feb.	\$-9,677.69
Total Expenses Paid Feb.	\$20,905.30
Project Deposit Account bal. Feb.	\$31,769.60

Lori Ann Pipczynski asked about the PILOT late fees. The Executive Director will follow up on which projects were actually charged late fees, but anyone who owed a late fee has paid.

**#09-25 RESOLUTION ACCEPTS REPORT OF EXPENSES AND AUTHORIZES PAYMENT OF BILLS AS OF March 3, 2025**

**WHEREAS**, Denise Cooper, CPA and Tracy Stark-James, Executive Director, submitted monthly financial reports, including a report of expenses, to the Riverhead Industrial Development Agency for the period of February 1, 2025 to February 28th, 2025 **as attached**,

**NOW, THEREFORE, BE IT RESOLVED**, said monthly financial report dated March 3, 2025 covering the month of February be and are hereby accepted and expenses as listed are authorized for payment.

Member Barbar Rizzi made a motion to accept Treasurer’s Report, which was seconded by Member Douglas Williams. **Motion approved.**

**VOTE:** 5 Yes

**COMMITTEE REPORTS:**

**Audit Committee** – Douglas Williams, Chairman of the Audit Committee, reported that a meeting was held on March 13<sup>th</sup> and was fully attended by the audit committee, CFO, CEO, EFPR Group. Brian Sawma from EFPR Group began the meeting by introducing the engagement team from the auditing group. Brian was responsible for the initial field work which began in February. The auditors issued a clean opinion and noted that staff was very helpful. Chairman Williams continued that the total assets decreased from the prior year mainly due to accounts receivable. Liabilities decreased \$154,578 to a balance of \$95,120 due to a decrease in reimbursement expense deposit account and the proportionate share of the net pension liability. The IDA does not control by the net pension liability. The state values those numbers. They valued the full pension system to ultimately result in a decrease in the agency’s pension liability by about \$30,000 this past year. Collectively this resulted in a \$53,000 increase in net position to a balance of \$381,285. Operating Revenue decreased by approximately \$204,787 to \$301,787. There was only one project that closed out this past year. Operating expenses remained relatively consistent with the prior year, increasing only by \$1,414. Non-operating revenue increased due to interest income from the new bank account with higher interest rate for a total of \$9,770.

He explained that the committee had two points of discussion. One regarding the designation as a “Discretely Presented Component Unit of the Town of Riverhead.” The committee wanted more information on the new title.

There was also discussion regarding the deposit account and leaving the outstanding receivable as uncollectible. Brian Sawma explained that leaving it on the books was considered, however, because it is an offset by a liability it is strictly only a balance sheet transaction and has no impact on the Agency’s overall position. The collectability is impaired which would require the Agency to write it down and it would be confusing showing a net deficit impacting the Agency if not removed.

The Agency did not receive a Management Letter. Brian Sawma explained a bit about how the pension fund worked.

The committee then reviewed the Whistleblower Policy and made no recommendations for change.

The committee requested to hold a subsequent meeting during the March 24<sup>th</sup> board meeting to review potential amendments to the financials.

The subsequent meeting was held March 24<sup>th</sup> prior to this board meeting to review the proposed amendments and footnotes to the financials, at which the committee made the recommendation to the full board to approve the 2024 Audited Financial Statements.

### **Governance Committee**

Chairman Lee Mendelson reported that the Governance Committee met prior to this board meeting to review the annual reports including the Disposition of Real Property, Procurement Report and Annual Report on Operations. After review and discussion, it was the decision of the committee to make recommendation to the full board for approval. The committee also reviewed and approved the PARIS Report with one minor change. The committee considered the annual confidential board evaluation, was discussed and it was recommended that a more formal annual review of staff take place.

**Finance Committee** – Chairman Douglas Williams reported that the Finance Committee met just prior to this board meeting to review the Investment Guidelines and Annual Investment Report. He read the report into the minutes. There were no recommendations to make changes to the policy and the committee took action to recommend the Annual Investment Report and Policy to the full board.

**OLD BUSINESS:** None

**NEW BUSINESS:** The Chairman took the resolutions out of order and started with  
**#12-25 A RESOLUTION DETERMINING CERTAIN RECEIVABLES TO BE UNCOLLECTABLE**

The following resolution was offered by Lori Ann Pipczynski,

And seconded by Barbara Rizzi.

**WHEREAS**, in connection with an application for financial assistance submitted by Calverton Aviation & Technology LLC (the “**Company**”), and consideration by the Town of Riverhead Industrial Development Agency (the “**Agency**”) of such application, the Company, the Agency, and the Town of Riverhead Community Development Agency (the “**CDA**”) entered into a Preliminary Agreement dated as of September 21, 2022 (the “**Preliminary Agreement**”) in order to, among other things, require the Company to pay certain costs of the Agency in connection with the Agency’s review of the Company’s application; and

**WHEREAS**, the Agency has an outstanding invoice to the Company, dated May 1, 2024, for expenses incurred by the Agency in connection with its review of the Company’s application, in the amount of \$100,000 (the “**Receivable**”), and

**WHEREAS**, as the Agency and the Company are now involved in litigation, the Agency reasonably believes there is a high probability that the Company will not pay the Receivable.

**NOW, THEREFORE, BE IT RESOLVED**, that the Agency, for purposes of the approval of its audited financial statements for its fiscal year ended December 31, 2024, and without waiving any right to collect the Receivable, hereby determines the Receivable to be uncollectable.

**Vote:** 5 Yes

#### **#10-25 A RESOLUTION ADOPTING, RATIFYING AND CONFIRMING BOARD POLICIES AND ANNUAL REPORTS**

The following resolution was offered Lee Mendelson  
And seconded by Barbara Rizzi

**WHEREAS**, in accordance with the Public Authorities Law, it is a recommendation of the Audit Committee of the Riverhead Industrial Development Agency that the following policy and reports be adopted, ratified and confirmed, and

**WHEREAS**, the following policy and reports recommended by the Audit Committee to the Board of Directors include the Whistleblower Policy and the 2024 Audit and Financials including Assessment of Internal Controls Report, and

**WHEREAS**, in accordance with the Public Authorities Law, it is a recommendation of the Governance Committee of the Riverhead Industrial Development Agency that the following policies and reports be reviewed, adopted, ratified and confirmed, and

**WHEREAS**, the following policies and reports have been reviewed and recommended by the Governance Committee including the Mission Statement and Measurement Report, Procurement Policy and Annual Report, Disposition of Real Property Policy and Report, Statement of Board Responsibilities, Code of Ethics, Bylaws, Time and Attendance, Equal

Opportunity and Non-discrimination Policy, Salary and Compensation policy, Defense and Indemnification policy, Fee Schedule, and

**WHEREAS**, in accordance with the Public Authorities Law, it is a recommendation of the Finance Committee of the Riverhead Industrial Development Agency that the Investment Policy and Annual Investment Report be adopted, ratified and confirmed, and

**WHEREAS**, the Board of Directors of the Riverhead Industrial Development Agency wishes to reauthorize and adopt the above mentioned and attached policies and reports.

**NOW, THEREFORE, BE IT RESOLVED**, that the attached policies and reports be and hereby are adopted, ratified and confirmed.

**Vote:** 5 Yes

#### **#11-25 RESOLUTION AUTHORIZING SUBMISSION OF THE 2024 PARIS REPORT and ANNUAL REPORTS**

Barbara Rizzi offered the following resolution, which was seconded by Lee Mendelson as amended with changes to Douglas Williams profile.

**WHEREAS**, Public Authorities Law, as amended in 2005 by the Public Authorities Accountability Act, requires state and local authorities to file specific financial and budgetary information with the ABO and Public authorities have been submitting these reports through the Public Authorities Reporting Information System (PARIS), and

**WHEREAS**, in accordance with the Public Authorities Law, the information must be submitted to the State 90 days after the fiscal year end date, and

**WHEREAS**, the PARIS Report has been reviewed and recommended by the Governance Committee to the Members of the Corporation for authorization, and include the Annual Report on Operations, Procurement Report, Disposition of Real Property Report, Mission Statement and Measurement Report, Financial Statements and Investment Report.

**WHEREAS**, the PARIS report has been presented in substantial form to the board for review and authorization for final submission and certification, and

**NOW, THEREFORE, BE IT RESOLVE**, the Board of Directors of the Riverhead Industrial Development Agency affirms and authorizes the final submission of the PARIS report for 2024 as amended.

**Vote:** 5 Yes

#### **EXECUTIVE DIRECTOR'S REPORT**

The Executive Director reported that on March 6<sup>th</sup> several of the board members met with the Town Board during a work session and presented the 2023 Impacts of the IDA. She noted that there is a link on the Agency's website homepage of the work session.

The Sales Tax Report ST-62 has been submitted. Compliance Reports went out and all have been returned and reviewed. There are still a few minor items outstanding. She will be following up with the projection letters to any company that did not meet their goals.

Seeing no further business, Lori Ann Pipczynski motioned to adjourn the meeting. Lee Mendelson seconded. The meeting adjourned at 5:37pm

Dated: \_\_\_\_\_

\_\_\_\_\_  
Secretary/Ass

DRAFT